

**STATEMENT OF
COMMISSIONER MIGNON L. CLYBURN**

Re: *Reexamination of Roaming Obligations of Commercial Mobile Radio Service Providers and Other Providers of Mobile Data Services, WT Docket No. 05-265.*

In Section 706 of the 1996 Telecommunications Act, Congress directed the Commission to encourage the deployment of advanced communications services to all Americans by using measures that promote competition in local markets. Last year, the Fourteenth Mobile Services Report estimated that more than 10 million Americans still live in rural census blocks with two or fewer mobile service providers. The Report also explained that roaming is a critical component of the structure of the mobile services market because it permits competitors to enter hard to serve areas. With today's Data Roaming Order, the Commission takes an important step to ensure that the structure of the mobile data services market advances Section 706's goals and improves the ability of carriers to offer more rural Americans the competitive choices other Americans enjoy.

This Order also safeguards consumers' reasonable expectations in mobile wireless communications, wherever they travel in the country, or however they choose to communicate. In the early history of the wireless market, consumers expected seamless service in mobile voice and text services. Trends suggest that this expectation will extend to the most advanced IP-based broadband services. In 2008, 25 million Americans subscribed to mobile broadband service. That number is now over 70 million. Between 2008 and 2009, the percentage of smart phones that accounted for the number of handsets sold, rose from 27 to 44 percent. Over the past few years, the percentage of Americans, who solely rely on mobile services for their communications needs, has risen to over 25 percent.

To be sure, this growing demand for seamless mobile broadband services is due to investment and innovation in networks, handsets, and applications. But it is also due to wireless companies spending millions, and in some cases billions, on marketing campaigns to persuade consumers why they offer more advanced services over larger geographic areas of the country than their competitors. Wireless carriers have now shifted the focus of their marketing campaigns from voice quality to 3G and 4G network quality, coverage, and reliability.

One thing we do not hear these marketing campaigns mention however, is that roaming is an important reason why companies can even boast of offering nationwide coverage. No single wireless carrier has built out its entire licensed service area. Therefore, to fill gaps in their coverage, all carriers must potentially roam on networks that other, non-affiliated, companies built.

Some argue that the prevalence of roaming agreements for 2G services means a roaming requirement is not necessary for mobile broadband services. I disagree. Some of the opponents to this Order are companies, who over the past few years, have merged with several of their roaming partners. Those mergers mean the number of potential roaming partners for their competitors has dropped. The fact that these merged companies oppose a mobile broadband service roaming rule suggests to me that they might use their increased market power to unreasonably restrict consumer access to competitive alternatives. In fact, as the Order points out, a number of these companies resisted offering 3G mobile broadband roaming agreements to their competitors until just recently. That strategy may serve their companies' interests. But when an increasing number of Americans are choosing to rely solely on mobile service for their communication needs, and demanding more smart phones with mobile broadband service, these roaming restrictions do not serve the public interest.

Austin Schlick, Ruth Milkman, and their staffs, have done an excellent job explaining why the Commission has statutory authority under Title III, as well as Section 706, to impose roaming obligations on commercial mobile data services. As the item explains, the Commission will continue to monitor roaming in the mobile wireless market. If we continue to find problems, we may have to consider additional measures.